

**BILLING CODE: 3510-DS-P** 

#### DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-130]

Certain Walk-Behind Lawn Mowers and Parts Thereof from the People's Republic of China: Initiation of Countervailing Duty Investigation

AGENCY: Enforcement and Compliance, International Trade Administration, Department of

Commerce.

DATES: Applicable June 15, 2020.

FOR FURTHER INFORMATION CONTACT: Terre Keaton Stefanova or Jacob Garten,

AD/CVD Operations, Office II, Enforcement and Compliance, International Trade

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DC 20230; telephone: (202) 482-1280 or (202) 482-3342, respectively.

#### SUPPLEMENTARY INFORMATION:

The Petition

On May 26, 2020, the U.S. Department of Commerce (Commerce) received a countervailing duty (CVD) petition concerning imports of certain walk-behind lawn mowers and parts thereof (lawn mowers) from the People's Republic of China (China) filed in proper form on behalf of MTD Products, Inc. (the petitioner). The Petition was accompanied by an antidumping duty (AD) petition concerning imports of lawn mowers from China and the Socialist Republic of Vietnam.

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<sup>&</sup>lt;sup>1</sup> See Petitioner's Letter, "Petitions for the Imposition of Antidumping Duties on Certain Walk-Behind Lawn Mowers from the People's Republic of China and the Socialist Republic of Vietnam and Countervailing Duties on Certain Walk-Behind Lawn Mowers from the People's Republic of China," dated May 26, 2020 (the Petition).

On May 29, 2020, Commerce requested supplemental information pertaining to certain aspects of the Petition,<sup>2</sup> to which the petitioner filed responses on June 2, 2020.<sup>3</sup>

In accordance with section 702(b)(1) of the Tariff Act of 1930, as amended (the Act), the petitioner alleges that the Government of China (GOC) is providing countervailable subsidies, within the meaning of sections 701 and 771(5) of the Act, to producers of lawn mowers in China and that such imports are materially injuring, or threatening material injury to, the domestic industry producing lawn mowers in the United States. Consistent with section 702(b)(1) of the Act and 19 CFR 351.202(b), for those alleged programs on which we are initiating a CVD investigation, the Petition is supported by information reasonably available to the petitioner supporting its allegations.

Commerce finds that the petitioner filed the Petition on behalf of the domestic industry because the petitioner is an interested party as defined in section 771(9)(C) of the Act.

Commerce also finds that the petitioner demonstrated sufficient industry support with respect to the initiation of the requested CVD investigation.<sup>4</sup>

Period of Investigation

Because the Petition was filed on May 26, 2020, the period of investigation (POI) is January 1, 2019 through December 31, 2019.<sup>5</sup>

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<sup>&</sup>lt;sup>2</sup> See Commerce's Letters, "Petitions for the Imposition of Antidumping and Countervailing Duties on Imports of Certain Walk-Behind Lawn Mowers and Parts Thereof from the People's Republic of China and the Socialist Republic of Vietnam: General Issues Supplemental Questions," and "Petition for the Imposition of Countervailing Duties on Imports of Certain Walk-Behind Lawn Mowers and Parts Thereof from the People's Republic of China: Supplemental Questions," both dated May 29, 2020.

<sup>&</sup>lt;sup>3</sup> See Petitioner's Letters, "Petitions for the Imposition of Antidumping Duties on Imports of Certain Walk-Behind Lawn Mowers from the People's Republic of China and the Socialist Republic of Vietnam, and Countervailing Duties from the People's Republic of China: General Issues Supplemental Questions Response Volume I," (General Issues Supplement), and "Petitions for the Imposition of Countervailing Duties on Imports of Certain Walk-Behind Lawn Mowers from the People's Republic of China: Supplemental Questionnaire Response Volume IV," both dated June 2, 2020.

<sup>&</sup>lt;sup>4</sup> See "Determination of Industry Support for the Petition" section, infra.

<sup>&</sup>lt;sup>5</sup> See 19 CFR 351.204(b)(2).

### Scope of the Investigation

The merchandise covered by this investigation is lawn mowers from China. For a full description of the scope of this investigation, *see* the appendix to this notice.

Comments on Scope of the Investigation

As discussed in the *Preamble* to Commerce's regulations, we are setting aside a period for interested parties to raise issues regarding product coverage (*i.e.*, scope).<sup>6</sup> Commerce will consider all comments received from interested parties and, if necessary, will consult with interested parties prior to the issuance of the preliminary determination. If scope comments include factual information,<sup>7</sup> all such factual information should be limited to public information. To facilitate preparation of its questionnaires, Commerce requests that all interested parties submit scope comments by 5:00 p.m. Eastern Time (ET) on July 6, 2020, which is 20 calendar days from the signature date of this notice.<sup>8</sup> Any rebuttal comments, which may include factual information, must be filed by 5:00 p.m. ET on July 16, 2020, which is 10 calendar days from the initial comment deadline.<sup>9</sup>

Commerce requests that any factual information the parties consider relevant to the scope of the investigation be submitted during this time period. However, if a party subsequently finds that additional factual information pertaining to the scope of the investigation may be relevant, the party may contact Commerce and request permission to submit the additional information. All such comments must also be filed on the record of the concurrent AD investigations.

<sup>6</sup> See Antidumping Duties; Countervailing Duties, 62 FR 27296, 27323 (May 19, 1997) (Preamble).

<sup>&</sup>lt;sup>7</sup> See 19 CFR 351.102(b)(21) (defining "factual information").

<sup>&</sup>lt;sup>8</sup> Commerce's practice dictates that where a deadline falls on a weekend or Federal holiday, the appropriate deadline is the next business day (in this instance, May 11, 2020). *See Notice of Clarification: Application of "Next Business Day" Rule for Administrative Determination Deadlines Pursuant to the Tariff Act of 1930, As Amended*, 70 FR 24533 (May 10, 2005).

<sup>&</sup>lt;sup>9</sup> See 19 CFR 351.303(b).

## Filing Requirements

All submissions to Commerce must be filed electronically using Enforcement and Compliance's (E&C's) Antidumping Duty and Countervailing Duty Centralized Electronic Service System (ACCESS), unless an exception applies.<sup>10</sup> An electronically filed document must be received successfully in its entirety by the time and date it is due.

#### **Consultations**

Pursuant to sections 702(b)(4)(A)(i) and (ii) of the Act, Commerce notified the GOC of the receipt of the Petition and provided it the opportunity for consultations with respect to the CVD Petition.<sup>11</sup> The GOC requested consultations, which were held on June 12, 2020.<sup>12</sup> Determination of Industry Support for the Petition

Section 702(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 702(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) at least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 702(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, Commerce shall: (i) poll the

<sup>&</sup>lt;sup>10</sup> See Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures, 76 FR 39263 (July 6, 2011); see also Enforcement and Compliance; Change of Electronic Filing System Name, 79 FR 69046 (November 20, 2014), for details of Commerce's electronic filing requirements, effective August 5, 2011. Information on using ACCESS can be found at https://access.trade.gov/help.aspx and a handbook can be found at https://access.trade.gov/help/Handbook\_on\_Electronic\_Filing\_Procedures.pdf.

<sup>11</sup> See Commerce's Letter, "Certain Walk-Behind Lawn Mowers and Parts Thereof from the People's Republic of China: Invitation for Consultation to Discuss the Countervailing Duty Petition," dated June 1, 2020.

<sup>&</sup>lt;sup>12</sup> See Memorandum, "Certain Walk-Behind Lawn Mowers and Parts Thereof from the People's Republic of China Countervailing Duty Petition: Consultations with the Government of the People's Republic of China," dated June 15, 2020.

industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the "industry."

Section 771(4)(A) of the Act defines the "industry" as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs Commerce to look to producers and workers who produce the domestic like product. The International Trade Commission (ITC), which is responsible for determining whether "the domestic industry" has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both Commerce and the ITC must apply the same statutory definition regarding the domestic like product, <sup>13</sup> they do so for different purposes and pursuant to a separate and distinct authority. In addition, Commerce's determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.<sup>14</sup>

Section 771(10) of the Act defines the domestic like product as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title." Thus, the reference point from which the domestic like product analysis begins is "the article subject to an investigation" (*i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition).

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<sup>&</sup>lt;sup>13</sup> See section 771(10) of the Act.

<sup>&</sup>lt;sup>14</sup> See USEC, Inc. v. United States, 132 F. Supp. 2d 1, 8 (CIT 2001) (citing Algoma Steel Corp., Ltd. v. United States, 688 F. Supp. 639, 644 (CIT 1988), aff'd 865 F. 2d 240 (Fed. Cir. 1989), cert. denied 492 U.S. 919 (1989)).

With regard to the domestic like product, the petitioner does not offer a definition of the domestic like product distinct from the scope of the investigation.<sup>15</sup> Based on our analysis of the information submitted on the record, we have determined that lawn mowers, as defined in the scope, constitute a single domestic like product, and we have analyzed industry support in terms of that domestic like product.<sup>16</sup>

On June 10, 2020, we received comments on industry support from Sumec Hardware & Tools Co., Ltd. (Sumec), a Chinese producer of subject merchandise, and Merotec Inc (Merotec), an importer of subject merchandise.<sup>17</sup> The petitioner responded to the industry support comments on June 11, 2020.<sup>18</sup> On June 12, 2020, we received surrebuttal comments from Sumec and Merotec with regard to the petitioner's June 11, 2020 comments.<sup>19</sup> The petitioner responded to these surrebuttal industry support comments on June 15, 2020.<sup>20</sup>

In determining whether the petitioner has standing under section 702(c)(4)(A) of the Act, we considered the industry support data contained in the Petition with reference to the domestic like product as defined in the "Scope of the Investigation," in the appendix to this notice. To establish industry support, the petitioner provided its 2019 shipments of the domestic like

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<sup>&</sup>lt;sup>15</sup> See Volume I of the Petition at 18-24.

<sup>&</sup>lt;sup>16</sup> For a discussion of the domestic like product analysis as applied to this case and information regarding industry support, *see* Countervailing Duty Investigation Initiation Checklist: Certain Walk-Behind Lawn Mowers from the People's Republic of China (China CVD Initiation Checklist) at Attachment II, Analysis of Industry Support for the Antidumping and Countervailing Duty Petitions Covering Certain Walk-Behind Lawn Mowers from the People's Republic of China and the Socialist Republic of Vietnam (Attachment II). This checklist is dated concurrently with this notice and on file electronically via ACCESS.

<sup>&</sup>lt;sup>17</sup> See Sumec and Merotec's Letter, "Walk-Behind Lawn Mowers and Parts Thereof from the People's Republic of China, Request to the Department to Poll the Industry," dated June 10, 2020.

<sup>&</sup>lt;sup>18</sup> See Petitioner's Letter, "Investigations on Certain Walk-Behind Lawn Mowers from the People's Republic of China and the Socialist Republic of Vietnam, and Countervailing Duties from the People's Republic of China, Inv. Nos. 731-1521-1522 and 701- TA-648 (Preliminary): Response to Sumec Hardware & Tools Co., Ltd.'s Request to the Department to Poll the Industry," dated June 11, 2019.

<sup>&</sup>lt;sup>19</sup> See Sumec and Merotec's Letter, "Walk-Behind Lawn Mowers and Parts Thereof from the People's Republic of China, Reply to Petitioner's Response to the Request to Poll the Industry," dated June 12, 2020.

<sup>&</sup>lt;sup>20</sup> See Petitioner's Letter, "Investigations on Certain Walk-Behind Lawn Mowers from the People's Republic of China and the Socialist Republic of Vietnam, and Countervailing Duties from the People's Republic of China, Inv. Nos. 731-1521-1522 and 701- TA-648 (Preliminary): Response to Sumec Hardware & Tools Co., Ltd.'s Reply to Petitioner's Response to the Request to Poll the Industry," dated June 15, 2019.

product.<sup>21</sup> To estimate the 2019 shipments for the entire U.S. lawn mowers industry, the petitioner relied on 2019 shipment data reported by the Outdoor Power Equipment Institute and made certain adjustments to reflect total shipments by U.S. producers of lawn mowers.<sup>22</sup> The petitioner estimated the production of the domestic like product for the entire domestic industry based on shipment data, because production data for the entire domestic industry are not available, and shipments are a close approximation of production in the lawn mowers industry.<sup>23</sup> We relied on data provided by the petitioner for purposes of measuring industry support.<sup>24</sup>

Our review of the data provided in the Petition, the General Issues Supplement, and other information readily available to Commerce indicates that the petitioner has established industry support for the Petition.<sup>25</sup> First, the Petition established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, Commerce is not required to take further action in order to evaluate industry support (*e.g.*, polling).<sup>26</sup> Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 702(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the Petition account for at least 25 percent of the total production of the domestic like product.<sup>27</sup> Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 702(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petition account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing

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<sup>&</sup>lt;sup>21</sup> See Volume I of the Petition at 4-5 and Exhibit I-2; see also General Issues Supplement at 7 and Exhibit S-I-5.

<sup>&</sup>lt;sup>22</sup> See Volume I of the Petition at 4-5 and Exhibit I-1, I-2, and I-23; see also General Issues Supplement at 7 and Exhibit S-I-5.

<sup>&</sup>lt;sup>23</sup> See Volume I of the Petition at 4-5 and Exhibit I-23.

<sup>&</sup>lt;sup>24</sup> *Id.* at 4-5 and Exhibits I-1, I-2, and I-23; *see also* General Issues Supplement at 7 and Exhibit S-I-5. For further discussion, *see* Attachment II of the China CVD Initiation Checklist.

<sup>&</sup>lt;sup>25</sup> See Attachment II of the China CVD Initiation Checklist.

<sup>&</sup>lt;sup>26</sup> *Id.*; see also section 702(c)(4)(D) of the Act.

<sup>&</sup>lt;sup>27</sup> See Attachment II of the China CVD Initiation Checklist.

support for, or opposition to, the Petition.<sup>28</sup> Accordingly, Commerce determines that the Petition was filed on behalf of the domestic industry within the meaning of section 702(b)(1) of the Act.<sup>29</sup> *Injury Test* 

Because China is a "Subsidies Agreement Country" within the meaning of section 701(b) of the Act, section 701(a)(2) of the Act applies to this investigation. Accordingly, the ITC must determine whether imports of the subject merchandise from China materially injure, or threaten material injury to, a U.S. industry.

Allegations and Evidence of Material Injury and Causation

The petitioner alleges that imports of the subject merchandise are benefitting from countervailable subsidies and that such imports are causing, or threaten to cause, material injury to the U.S. industry producing the domestic like product. In addition, the petitioner alleges that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act.<sup>30</sup>

The petitioner contends that the industry's injured condition is illustrated by a significant and increasing volume of subject imports; declining market share; underselling and price depression and suppression; lost sales and revenues; declines in shipments, capacity utilization, and capital expenditures; plant closures and declines in employment variables; and declining profitability.<sup>31</sup> We assessed the allegations and supporting evidence regarding material injury, threat of material injury, causation, as well as negligibility, and we have determined that these

<sup>&</sup>lt;sup>28</sup> *Id*.

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<sup>&</sup>lt;sup>30</sup> See Volume I of the Petition at 24-25 and Exhibit I-8.

<sup>&</sup>lt;sup>31</sup> *Id.* at 27-40 and Exhibits I-8 through I-11, I-20 through I-22, and I-24; *see also* General Issues Supplement at 2 and Exhibit S-I-1.

allegations are properly supported by adequate evidence, and meet the statutory requirements for initiation.<sup>32</sup>

## Initiation of CVD Investigation

Based upon our examination of the Petition and supplemental responses, we find that the Petition meets the requirements of section 702 of the Act. Therefore, we are initiating a CVD investigation to determine whether imports of lawn mowers from China benefit from countervailable subsidies conferred by the GOC. Based on our review of the Petition, we find that there is sufficient information to initiate a CVD investigation on all but one of the alleged programs.<sup>33</sup> For a full discussion of the basis for our decision to initiate on each program, *see* China CVD Initiation Checklist. A public version of the initiation checklist for this investigation is available on ACCESS. In accordance with section 703(b)(1) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determination no later than 65 days after the date of this initiation.

#### Respondent Selection

The petitioner named 46 companies in China as producers/exporters of lawn mowers.<sup>34</sup> Commerce intends to follow its standard practice in CVD investigations and calculate company-specific subsidy rates in this investigation. In the event Commerce determines that the number of companies is large and it cannot individually examine each company based upon Commerce's resources, where appropriate, Commerce intends to select mandatory respondents based on U.S. Customs and Border Protection (CBP) data for U.S. imports of lawn mowers from China during

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<sup>&</sup>lt;sup>32</sup> See China CVD Initiation Checklists at Attachment III, Analysis of Allegations and Evidence of Material Injury and Causation for the Antidumping and Countervailing Duty Petitions Covering Certain Walk-Behind Lawn Mowers and Parts Thereof from the People's Republic of China and the Socialist Republic of Vietnam (Attachment III).

<sup>&</sup>lt;sup>33</sup> We are also limiting the investigation on two other programs for lack of supporting information as to certain aspects of the allegations.

<sup>&</sup>lt;sup>34</sup> See Volume I of the Petition at 17.

the POI under the appropriate Harmonized Tariff Schedule of the United States numbers listed in the "Scope of the Investigation," in the appendix.

On June 11, 2020, Commerce released CBP data on imports of lawn mowers from China under administrative protective order (APO) to all parties with access to information protected by APO and indicated that interested parties wishing to comment on the CBP data must do so within three business days of the publication date of the notice of initiation of this investigation.<sup>35</sup> We further stated that we will not accept rebuttal comments.

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305(b). Instructions for filing such applications may be found on E&C's website at http://enforcement.trade.gov/apo.

Comments must be filed electronically using ACCESS. An electronically filed document must be received successfully, in its entirety, by ACCESS no later than 5:00 p.m. ET on the date noted above. Commerce intends to finalize its decisions regarding respondent selection within 20 days of publication of this notice.

Distribution of Copies of the Petition

In accordance with section 702(b)(4)(A) of the Act and 19 CFR 351.202(f), a copy of the public version of the Petition has been provided to the GOC via ACCESS. Furthermore, to the extent practicable, Commerce will attempt to provide a copy of the public version of the Petition to each exporter named in the Petition, as provided under 19 CFR 351.203(c)(2).

ITC Notification

Commerce will notify the ITC of its initiation, as required by section 702(d) of the Act.

<sup>35</sup> See Memorandum, "Certain Walk-Behind Lawn Mowers, and Parts Thereof, from the People's Republic of China Countervailing Duty Petition: Release of Customs Data from U.S. Customs and Border Protection," dated June 11, 2020.

## Preliminary Determination by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the Petition was filed, whether there is a reasonable indication that imports of lawn mowers from China are materially injuring, or threatening material injury to, a U.S. industry. <sup>36</sup> A negative ITC determination will result in the investigation being terminated.<sup>37</sup> Otherwise, this investigation will proceed according to statutory and regulatory time limits.

### Submission of Factual Information

Factual information is defined in 19 CFR 351.102(b)(21) as: (i) evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly available information to value factors under 19 CFR 351.408(c) or to measure the adequacy of remuneration under 19 CFR 351.511(a)(2); (iv) evidence placed on the record by Commerce; and (v) evidence other than factual information described in (i)-(iv). Section 351.301(b) of Commerce's regulations requires any party, when submitting factual information, to specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted<sup>38</sup> and, if the information is submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct.<sup>39</sup> Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being submitted. Interested parties should review the regulations prior to submitting factual information in this investigation.

# Extensions of Time Limits

 $<sup>^{36}</sup>$  See section 703(a)(1) of the Act.

<sup>&</sup>lt;sup>38</sup> See 19 CFR 351.301(b). <sup>39</sup> See 19 CFR 351.301(b)(2).

Parties may request an extension of time limits before the expiration of a time limit established under 19 CFR 351.301, or as otherwise specified by Commerce. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351.301.<sup>40</sup> For submissions that are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 a.m. ET on the due date. Under certain circumstances, Commerce may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, Commerce will inform parties in a letter or memorandum of the deadline (including a specified time) by which extension requests must be filed to be considered timely. An extension request must be made in a separate, stand-alone submission; under limited circumstances we will grant untimely-filed requests for the extension of time limits. Parties should review Extension of Time Limits; Final Rule, 78 FR 57790 (September 20, 2013), available at http://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm, prior to submitting extension requests or factual information in this investigation. Certification Requirements

Any party submitting factual information in an AD or CVD proceeding must certify to the accuracy and completeness of that information.<sup>41</sup> Parties must use the certification formats provided in 19 CFR 351.303(g).<sup>42</sup> Commerce intends to reject factual submissions if the submitting party does not comply with the applicable certification requirements.

Notification to Interested Parties

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<sup>&</sup>lt;sup>40</sup> See 19 CFR 351.302.

<sup>&</sup>lt;sup>41</sup> See section 782(b) of the Act.

<sup>&</sup>lt;sup>42</sup> See Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings, 78 FR 42678 (July 17, 2013) (Final Rule); see also frequently asked questions regarding the Final Rule, available at http://enforcement.trade.gov/tlei/notices/factual info final rule FAO 07172013.pdf.

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305. On January 22, 2008, Commerce published Antidumping and Countervailing Duty Proceedings: Documents Submission Procedures; APO Procedures, 73 FR 3634 (January 22, 2008). Parties wishing to participate in this investigation should ensure that they meet the requirements of these procedures (e.g., the filing of letters of appearance as discussed at 19 CFR 351.103(d)). Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until July 17, 2020, unless

This notice is issued and published pursuant to sections 702 and 777(i) of the Act, and 19 CFR 351.203(c).

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Dated: June 15, 2020.

Jeffrey I. Kessler,

Assistant Secretary for Enforcement and Compliance.

<sup>&</sup>lt;sup>43</sup> See Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19, 85 FR 17006 (March 26, 2020); and Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period, 85 FR 29615 (May 18, 2020).

## **Appendix**

## **Scope of the Investigation**

The merchandise covered by this investigation consists of certain rotary walk-behind lawn mowers, which are grass-cutting machines that are powered by internal combustion engines. The scope of the investigation cover certain walk-behind lawn mowers, whether self-propelled or non-self-propelled, whether finished or unfinished, whether assembled or unassembled, and whether containing any additional features that provide for functions in addition to mowing.

Walk-behind lawn mowers within the scope of this investigation are only those powered by an internal combustion engine with a power rating of less than 3.7 kilowatts. These internal combustion engines are typically spark ignition, single or multiple cylinder, air cooled, internal combustion engines with vertical power take off shafts with a maximum displacement of 196cc. Walk-behind lawn mowers covered by this scope typically must be certified and comply with the Consumer Products Safety Commission Safety Standard For Walk-Behind Power Lawn Mowers under the 16 CFR part 1205. However, lawn mowers that meet the physical descriptions above, but are not certified under 16 CFR Part 1205 remain subject to the scope of this proceeding.

The internal combustion engines of the lawn mowers covered by this scope typically must comply with and be certified under Environmental Protection Agency air pollution controls title 40, chapter I, subchapter U, part 1054 of the Code of Federal Regulations standards for small non-road spark-ignition engines and equipment. However, lawn mowers that meet the physical descriptions above but that do not have engines certified under 40 CFR part 1054 or other parts of subchapter U remain subject to the scope of this proceeding.

For purposes of this investigation, an unfinished and/or unassembled lawn mower means at a minimum, a sub-assembly comprised of an engine and a cutting deck shell attached to one another. A cutting deck shell is the portion of the lawn mower—typically of aluminum or steel—that houses and protects a user from a rotating blade. Importation of the subassembly whether or not accompanied by, or attached to, additional components such as a handle, blade(s), grass catching bag, or wheel(s) constitute an unfinished lawn mower for purposes of this investigation. The inclusion in a third country of any components other than the mower sub-assembly does not remove the lawn mower from the scope. A lawn mower is within the scope of this investigation regardless of the origin of its engine.

The lawn mowers subject to this investigation are typically at subheading: 8433.11.0050. Lawn mowers subject to this investigation may also enter under Harmonized Tariff Schedule of the United States (HTSUS) 8407.90.1010 and 8433.90.1090. The HTSUS subheadings are provided for convenience and customs purposes only, and the written description of the merchandise under investigation is dispositive.

[FR Doc. 2020-13384 Filed: 6/19/2020 8:45 am; Publication Date: 6/22/2020]